(a) whether the airlines have revised and raised the airfares and freight charges again in June this year, *i.e.* 2009;

(b) if so, to what extent; and

(c) the reasons and grounds for such a rise in fares and freight charges?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (c) Yes, Sir. Scheduled Passenger Private Airlines Jet Airways, Jet Lite, Kingfisher Airlines, Spicejet, Go Air, Paramount Airways and IndiGo have increased the fuel surcharges by Rs. 400/- across their network effective 16th June, 2009. Air India has also raised its fuel surcharge by Rs. 400/- effective 19 June 2009 whereas Schedule Cargo Airline *i.e.* M/s. Blue Dart Aviation Ltd. has not changed transportation rates since June 2009 till date. The increase in fare has been due to the increased price of Aviation Turbine Fuel (ATF).

Insurance cover for Air India

†440. SHRI MOTILAL VORA:

SHRI SATYAVRAT CHATURVEDI:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Air India gets an insurance cover of Rs.49,000 crores per year for its passengers and aircrafts for which it pays a premium of rupees 125 crore;

(b) whether New India Insurance Company, which is giving an insurance cover to passengers and aircrafts of Air India for last many years, has made a written complaint with Central Vigilance Commission that the National Aviation Company of India Ltd.(NACIL) has entrusted insurance job to some other company in its place;

(c) the companies of public sector apart from New India Insurance Company which have submitted their tenders for the same; and

(d) the reasons for cancellation of the tenders by NACIL?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Air India aircraft insurance cover for the policy year October 2009 to September, 2010 consists of Average Fleet value of US$ 8.60 Billion (equivalent to Rs.41272 crores). The amount of premium is US$ 24.24 million (equivalent to Rs.116 crores) excluding Service Tax.

(b) No complaint has been received from New India Insurance Company in the Ministry of Civil Aviation.

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†Original notice of the question was received in Hindi.

(c) and (d) NACIL issued a tender on 23.03.09 inviting technical bids for renewal of Aviation Insurance Policy for year 2009-10. Two bids were received. One from a consortium of 4 PSU Insurance Companies led by New India Assurance Company Ltd. with members - National Insurance, Oriental Insurance and United Insurance. Second from private sector companies led by ICICI Lombard General Insurance Co. Ltd. Taking into consideration the need for better transparency and more competitive pricing especially in view of higher premium being paid by Air India compared with its peer group, fresh tenders were invited to allow for more responses even from individual insurance companies.

Loss making airports of AAI

441. SHRI M.V. MYSURA REDDY:

SHRI PENUMALLI MADHU:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that of the 125 airports managed by the Airports Authority of India (AAI), only 15 are making profits and the remaining are incurring losses;

(b) if so, the total losses incurred by other airports operated by AAI during the last three years, year-wise and airport-wise; and

(c) if so, how the Ministry is planning to address the problems and what efforts it is making to increase the non-traffic revenues at airports by better exploitation of commercial opportunities?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) Yes, Sir. The details are given in enclosed Statement. (*See* below).

(c) Airports Authority of India (AAI) is in the process of exploiting new avenues to increase Non-Traffic Revenues as per the following:

(i) Introduce the concept of master concessionaires at major airports by bunching major contracts, which shall not only increase the revenue but also enable easy monitoring.

(ii) Tendering of the Ground Handling Facilities at the airports which was earlier done only through selected agencies has resulted in manifold increase of revenue of AAI.

(iii) Introduction of innovative schemes/facilities at the airports which shall not only facilitate the passengers but also increase the revenue to AAI, and

(iv) City side development of the airports for increasing the revenues is also under active consideration at the select airports.